



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 21, 2000

H.R. 3313

Long Island Sound Restoration Act

*As ordered reported by the House Committee on Transportation and Infrastructure
on April 11, 2000*

SUMMARY

H.R. 3313 would extend and increase the authorization of appropriations over the 2000-2003 period for the Environmental Protection Agency's (EPA's) Long Island Sound program office. Under current law, the program is authorized to receive appropriations of \$3 million annually through 2001. This bill would authorize the appropriation of up to \$80 million annually over the 2000-2003 period for EPA to make additional grants to states and support efforts to establish a trading program among entities in the region to exchange the rights to emit nitrogen compounds into the Long Island Sound watershed. In addition, enacting H.R. 3313 would give states more flexibility in allocating funds from their revolving funds to distressed communities with regard to the conservation and management plan for Long Island Sound. While federal funds are included in such revolving funds, CBO does not estimate that enacting this provision would result in any significant impact on the federal budget.

CBO estimates that implementing this legislation would cost \$237 million over the 2000-2005 period, assuming appropriation of the authorized amounts. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 3313 contains no intergovernmental mandates or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

For purposes of this estimate, CBO assumes that the amounts authorized will be appropriated for each fiscal year and that outlays will follow the pattern of similar EPA programs. The estimated impact of H.R. 3313 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and the environment).

	By Fiscal Year, in Millions of Dollars					
	2000	2001	2002	2003	2004	2005

SPENDING SUBJECT TO APPROPRIATION

Spending Under Current Law						
Estimated Authorization Level ^a	1	3	0	0	0	0
Estimated Outlays	1	2	1	1	b	0
Proposed Changes						
Estimated Authorization Level	79	77	80	80	0	0
Estimated Outlays	2	18	39	63	63	52
Spending Under H.R. 3313						
Estimated Authorization Level	80	80	80	80	0	0
Estimated Outlays	3	20	40	64	63	52

a. The 2000 level is the amount appropriated for that year for the Long Island Sound program at EPA. Under current law, \$3 million is authorized to be appropriated for this program in 2001.

b. Less than \$500,000

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3313 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting the legislation would allow states more flexibility, under permission regarding the Long Island Sound, to prioritize certain loans to distressed communities and to subsidize those loans. Such subsidies would be provided by states voluntarily.

PREVIOUS CBO ESTIMATE

On October 7, 1999, CBO transmitted a cost estimate for S. 1632, a bill to extend the authorization of appropriations for activities at Long Island Sound, as ordered reported by the Senate Committee on Environment and Public Works on September 29, 1999. In contrast to H. R. 3313, S. 1632 would extend and increase the authorization of appropriations for the

Long Island Sound program office by up to \$10 million for each of fiscal years 2000 through 2005.

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